

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 03774 251007Z

16

ACTION EA-10

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01

COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07 INT-05 L-02

NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03 SP-02 SS-15

STR-01 TRSE-00 FRB-03 FEA-01 /082 W

----- 086673

R 250928Z MAR 75

FM AMEMBASSY MANILA

TO DFSC CAMSTN ALEX VA//DFSC-PF//

INFO CINCPACREPPHIL SUBIC BAY

CINCPAC HONOLULU HI

SECSTATE WASHDC 1644

LIMITED OFFICIAL USE MANILA 3774

E.O. 11652: N/A

TAGS: ENRG, EIND, RP

SUBJECT: POL SUPPLY PHILIPPINES

REF: A. DFSC PFC 2706-75; B. CINCPACREPPHIL PZ90145Z NOV 75;  
C. CINCPAC P2411855Z DEC 74; D. MANILA 4677

1. ALL PETROLEUM PRODUCTS SUBJECT TO PRICE CONTROLS AT BOTH WHOLESALE AND RETAIL LEVEL. PRICES ARE SET BY OIL INDUSTRY COMMISSION AFTER EVALUATION OF DATA SUPPLIED BY OIL COMPANIES. OIC PRICES ARE CEILINGS AND NO FLOOR SET. AT PRESENT, BECAUSE OF LEVEL OF CONTROLLED PRICES, LITTLE DISCOUNTING IS OFFERED BY OIL COMPANIES.

2. OIC PRICE CEILINGS IN PESOS ON PRODUCTS REFTEL A AS FOLLOWS (1 DOLLAR US EQUALS 7 PESOS).

A) LUBE OIL, STEAM TURBINE, 2.475 PER LITER.

B) LUBE OIL, ENGINE M50E/HDO-30, 2.565 PER LITER.

C) AUTOMOTIVE DIESEL OIL, 0.815 PER LITER; ALL PRICES WAREHOUSE, PANDACAN.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 03774 251007Z

3. IN CASE OF LUBE OILS PHILIPPINE NATIONAL OIL COMPANY BLENDS FROM BASE STOCKS AND ADDITIVES SUPPLIED BY EXXON INTERNATIONAL. NO LOCAL MANUFACTURE OF TWO ITEMS.

4. AS INDICATED IN REFTTEL B, EMBASSY BELIEVES THAT IT WOULD BE ADVISEABLE TO EXTENT POSSIBLE TO UTILIZE LOCAL SUPPLIERS OF PETROLEUM PRODUCTS. EMBASSY WOULD BE INTERESTED TO KNOW IF OTHER LOCAL SUPPLIERS ALSO BID ON REQUIRED PRODUCTS.

5. SINCE BID PRICES REQUESTED INCLUDE TRANSPORTATION THERE IS NO SIMPLIFIED METHOD BY WHICH EMBASSY CAN DETERMINE WHETHER OR NOT BASE PRICE USED BY PNOC IS ACTUALLY PIC POSTED PRICE. HOWEVER, UNLIKELY AT THIS TIME BECAUSE OF CURRENT PERMITTED LEVELS THAT ANY OTHER SUPPLIER IN PHILIPPINES WOULD USE ANY BUT MAXIMUM PRICE ALLOWED BY OIC. PETROPHIL, HOWEVER, BENEFITS FROM A SPECIAL FUND (REF D) WHICH WAS ESTABLISHED IN APRIL 1974 AND INTO WHICH ALL OIL COMPANIES MUST REBATE SPECIFIED AMOUNTS ON SALES OF PETROLEUM PRODUCTS. REBATE FOR MOGAS IS TEN VENTAVOS PER LITER AND FOR DIESEL OIL 8 CENTAVOS PER LITER. PETROPHIL HAS USED SPECIAL FUND INTER ALIA TO UPGRADE BULK TRANSPORT FACILITIES INCLUDING PURCHASE OF SHIPS.

5. EMBASSY WOULD APPRECIATE INFORMATION ON DFSC PLANS REGARDING PROCUREMENT OF PETROLEUM PRODUCTS IN THE PHILIPPINES, SPECIFICALLY WHEN ANNUAL CONTRACTING WILL BE RESUMED.  
SULLIVAN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, PRICE CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MANILA03774  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750103-0865  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750318/aaaaaqgc.tel  
**Line Count:** 92  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 DFSC PFC 2706-75, 75 CINCPACREPPHIL PZ90145Z, 75 NOV 75  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MartinML  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 JUL 2003 by ElyME>; RELEASED <23 JUL 2003 by ShawDG>; APPROVED <19 NOV 2003 by MartinML>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POL SUPPLY PHILIPPINES  
**TAGS:** ENRG, EIND, RP  
**To:** n/a  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006